

**Superior Air Parts
Ch. 7 Liquidation Analysis**

CALCULATIONS				
CLAIMS PER DEBTOR				
503(b)(9) admin				\$ 78,819
Secured				\$ 17,484
Priority				\$ 56,144
Unsecured				
Trade Unsecured				\$ 1,171,440
Trade Executory Contracts (Open POs)				4,118,739
Executory Contracts (Other)				446,036
Warranty Claims				142,971
Loss of Warranty Claims				19,580
Insured Claims				2,919,139
TOTAL Unsecured Claims excluding insiders				8,817,905
Thielert AG				10,146,611
Thielert AE				18,208,260
TOTAL Unsecured Claims				\$ 37,172,776
WORKING CAPITAL				
Cash on hand				\$ 3,754,281
Accounts Receivable, net collectable				\$ 1,000,000
Inventory, gross				\$ 7,736,091
Accounts Payable				\$ (50,000)
CONVERSION OF INVENTORY TO CASH				
Inventory, gross				\$ 7,736,091
Less non-FAA inventory				(1,300,000)
	<u>Wkly sales</u>	<u>Wks sold</u>	<u>Margin</u>	6,436,091
Cost of inventory sold during orderly liquidation	\$ 100,000	12	0%	(1,200,000)
Remaining inventory available for "Fire sale"				5,236,091
Times % of cost obtained at "Fire sale"				15%
Equals cash from "Fire sale" of remaining inventory				\$ 785,414
Recap of Proceeds from Inventory Liquidation				
Sales proceeds of inventory during orderly liquidation	\$ 100,000	12		\$ 1,200,000
Plus "Fire sale" proceeds of remaining inventory				785,414
Total cash from inventory				\$ 1,985,414
Ch. 11 Bankruptcy Professionals				
Total thru March				\$ 650,000
April estimate - Lain Faulkner				50,164
April estimate - B&M				150,000
April estimate - Strasburger				239,337
Total bankruptcy professionals				\$ 1,089,501

CALCULATIONS (continued)	
Debtor's Month Burn	
Rent and utilities	\$ 150,000
Payroll and fringes	260,000
Insurance - property and casualty	435,346
Maintenance and misc.	110,000
Total 4 month burn by debtor	<u>\$ 955,346</u>
CALCULATION OF CASH TO UNSECURED CREDITORS	
Cash on hand	\$ 3,754,281
Cash from collection of Accounts Receivable	1,000,000
Cash from sale of Inventory	1,985,414
Accounts payable	(50,000)
Cash from Sale of IP packets	300,000
Subtotal, cash generated	<u>6,989,695</u>
Less debtors 4 month burn	(955,346)
Less Ch. 11 bankruptcy professionals	(1,089,501)
Less Warranty insurance (due September 1)	0
Less Ch. 7 bankruptcy professionals (\$50,000/month)	(200,000)
Less Ch. 7 Trustee @ 3% of disbursements	<u>(209,691)</u>
Equals cash available for creditors	4,535,157
Pay 503(b)(9) admin claims	(78,819)
Pay secured claims	(17,484)
Pay priority claims	(56,144)
Equals cash available for unsecured creditors	<u>\$ 4,382,710</u>
Unsecured Claims	\$ 37,172,776
% Paid	11.8%